

Janet T. Mills  
Governor

Jeanne M. Lambrew, Ph.D.  
Commissioner



Maine Department of Health and Human Services  
Audit  
11 State House Station  
109 Capitol Street  
Augusta, Maine 04333-0011  
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TTY: Dial 711 (Maine Relay)

## Final Informal Review Decision

February 10, 2022

Fawn Palmer, Finance Director  
Hope Association  
85 Lincoln Avenue  
Rumford, ME 04276

Re: **Horizons Unlimited**

Dear Ms. Palmer:

Your facility requested an informal review of the audit report for **Horizons Unlimited** dated October 1, 2021 for the fiscal period from July 1, 2018 through June 30, 2019, which resulted in an overpayment of \$5,679.00. Your appeal request is based upon your letter dated November 20, 2021.

As a result of this request, we have prepared an informal review. Our **Final Informal Review Decision** is as follows:

1. **Provider's issue 1:** You disagree with the removal of the central office costs for Direct Care Staff/DSP in the amount of \$12,710.00, Earned Time/DSP in the amount of \$20,571.00, and Holiday/Staff-DSP in the amount of \$6,485.00.

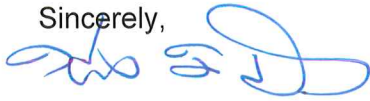
**Department's response:** We reviewed your request and partially agree. In further communications with you, you acknowledge that the Direct Care Staff/DSP costs in the amount of \$12,710 should not be included with central office costs as the costs were mapped incorrectly to this account. We maintain that these costs should be removed from allowable central office costs.

After further review of additional documentation provided, we agree that the Earned Time/DSP and the Holiday/Staff-DSP costs are applicable to central office staff. Based on DHHS 10-144 Chapter 115, Principle of Reimbursement for Residential Care Facilities-Room and Board Costs, Principle 32, which states, "Indirect costs are those that are incurred for common or joint objectives, and are not considered direct costs. They shall be pooled and distributed to the individual services or programs benefiting therefrom", a revision will be issued under separate cover to include the earned time and holiday costs with central office. The earned time and holiday costs for the benefits program (human resources manager), administrative, and executive director will be allocated to the administrative portion and removed in lieu of the administrative and management allowance.

This final informal review decision was based upon a consultation with the auditor of record, a review of his audit report and the related work papers, and your subsequent communications to us.

Please refer to the attached Notice of Appeal Rights of MaineCare Providers for an explanation of your facility's further appeal options.

Sincerely,



Herbert F. Downs, Director  
Division of Audit

Enclosures:

Notice of Appeal Rights of MaineCare Providers

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF AUDIT – MAINECARE AND SOCIAL SERVICES**

**NOTICE OF APPEAL RIGHTS OF MAINECARE PROVIDERS**

**1. Informal Review:**

If you disagree with any portion of the audit report, you must request an informal review by the Director of the Division of Audit, or his designee, by notifying the Division of Audit, 11 State House Station, Augusta, Maine 04333-0011, in writing **within 60 days of receipt of the audit report** of the issues that are in dispute. You must also provide any and all information that you intend to rely upon in disputing each issue. Failure to give timely notice or to include the information relied upon shall constitute a waiver of your facility's right to an informal review and to any subsequent administrative appeals. See the following chart for a reference to the Department's regulation that provides further explanation of your facility's appeal rights and the information you must present in your response:

<u>Type of Facility</u>	<u>Effective Date</u>	<u>Appeal Regulation Citation</u>
Residential Care Facility	11-13-13	Principle #34.7 (DHHS rules 10-144, chapter 115)
	11-20-18	Principle #34.7 (DHHS rules 10-144, chapter 115)
	02-18-19	Principle #34.7 (DHHS rules 10-144, chapter 115)
PNMI	07-16-17	Principle #6000 (MBM, Chapter III, Section 97)
	11-20-18	Principle #6000 (MBM, Chapter III, Section 97)

(Note: MBM = MaineCare Benefits Manual)

**2. Administrative Hearing:**

If you disagree with the decision made after an informal review, you must request an administrative hearing by the Commissioner of the Department of Health and Human Services, or Commissioner's designee, by notifying the Commissioner's office, in writing **within 60 days of receipt of the informal review decision** of the issues that are in dispute. Only those issues presented for informal review will be considered at the administrative hearing. See MaineCare Benefits Manual, Chapter I, Section 1.23 (before 07-05-17 see Section 1.21); also see the Administrative Hearing Regulations.

**3. Petition for Judicial Review:**

If you disagree with the Commissioner's final decision made after an administrative hearing, you may petition the Superior Court for judicial review of final agency action. See 5 M.R.S. §11001-§11007.